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proves, that, after he bought out the interest of his partner, he purchased but few goods; of course the debts of the joint creditors were made in the sale to the firm of Jewett & Butler of the goods which constituted chiefly the assets of Jewett.

Should these goods be turned away from the payment of the joint debts, which constituted the consideration for making them, to the payment of the individual debts?

“Equity alone can restrain the joint creditors from receiving their full dividend until the joint effects are exhausted.” See James on Bankruptcy 91.

I am of the opinion, in the present state of the proofs, that the joint creditors should be paid *pari passu* with the individual creditors.

DRUMMOND, J.—As there seems to be no joint fund or source of payment for the joint creditors, I think the decision of the Register is right.

District Court of the United States. Northern District of Illinois. In Bankruptcy.

IN THE MATTER OF FREDERICK JEWETT.

Where A., one of two partners, sells his interest in the concern to his copartner, B., taking his notes therefor, and B. becomes bankrupt, leaving some of the notes unpaid, A. cannot receive a dividend from the assignee until all the partnership debts have been paid.

THE facts are set forth in the following certificate of the Register, Hon. LINCOLN CLARK.—This being the day fixed for the second meeting of creditors at the office of the Register for the purpose of hearing the assignee's report, and for declaring a dividend of assets among those entitled thereto, Oliver R. Butler claimed a dividend as creditor of the bankrupt, upon a proof of claims heretofore filed in the sum of ten thousand two hundred and fifteen dollars and forty-three cents (\$10,215 $\frac{43}{100}$).

The proofs consist of twelve promissory notes, each for the sum of \$750, made by the said Jewett to the said Butler, dated February 1st 1867, payable the 1st of May 1868, and on the 1st of each and every month thereafter until the whole should be paid.

The said Oliver R. Butler had been copartner with the bankrupt for ten years anterior to the 1st day of February 1867, at which time he sold his entire interest in the firm to the said Frederick Jewett for about the sum of \$25,000, and took from him his promissory notes in payment therefor. It appeared in evidence, by the deposition of the said Jewett, that the notes hereinbefore described were a portion of those given in the purchase of the interest of the said Butler.

Clarkson, attorney for a portion of the creditors, and also for the assignee, objected, that the said Oliver R. Butler was not entitled to a dividend upon those notes. I sustained the objection, and decided that no dividend could be allowed upon the proof of them.

Waller, attorney for Butler, desired the matter to be certified to the court, the question being as to whether the said Butler was entitled to a dividend upon the basis of the said notes.

It appeared that the joint indebtedness of Jewett & Butler was some \$16,000, no portion of which had been paid by Butler. That Jewett, after the purchase of Butler's interest, bought but very few goods, from which the inference is clear, that, had Butler been allowed to receive a dividend, he would have taken the proceeds of assets liable to the payment of his own debts, at the same time that he had not, as partner, paid the partnership debts.

That Butler could not have a dividend until all the partnership debts were paid, seems to me clear. Whether, after that, he would come in to share with the individual creditors, is a question not now calling for consideration.

DRUMMOND, J.—In this case, it appearing that the only fund for payment is the individual property of the bankrupt, I have no doubt that there can be no dividend allowed to Butler so long as there is anything due from him. The decision of the Register is consequently correct.